

# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE ALHAMBRA, CALIFORNIA 91803-1331 Telephone: (626) 458-5100 http://dpw.lacounty.gov

ADDRESS ALL CORRESPONDENCE TO: P.O. BOX 1460 ALHAMBRA, CALIFORNIA 91802-1460

December 15, 2009

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012 ADOPTED

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

49 DECEMBER 15, 2009

SACHI A. Hamai SACHI A. HAMAI EXECUTIVE OFFICER

**Dear Supervisors:** 

AWARD OF CONTRACT FOR AS-NEEDED PUBLIC CURBSIDE REFUSE CONTAINER
COLLECTION AND DISPOSAL SERVICES FOR EAST LOS ANGELES
(SUPERVISORIAL DISTRICT 1)
(3 VOTES)

#### **SUBJECT**

This action is to award a contract for collection, transportation, and the disposal of refuse collected from all public curbside refuse containers in the unincorporated County areas of East Los Angeles.

#### IT IS RECOMMENDED THAT YOUR BOARD:

- 1. Find that the work is categorically exempt from the provisions of the California Environmental Quality Act.
- 2. Award the contract for As-Needed Public Curbside Refuse Container Collection and Disposal Services for East Los Angeles in an annual sum not to exceed \$169,000, to United Pacific Waste, located in Pico Rivera, California. This contract will be for a term of one year, commencing on January 1, 2010, with two 1-year renewal options, not to exceed a total contract period of three years and a potential maximum contract sum of \$507,000.
- 3. Authorize the Director of Public Works or her designee to annually increase the contract amount up to an additional 10 percent of the annual contract sum for unforeseen, additional work within the scope of the contract, if required, and to adjust the annual contract sum for each option year over the term of the contract to allow for an annual cost-of-living and fuel cost adjustments in accordance with County policy and the terms of the contract.
- 4. Authorize the Director of Public Works or her designee to execute the contract; to renew the contract for each additional renewal option if, in the opinion of the Director of Public Works, United Pacific Waste has successfully performed during the previous contract period and the services are still required; to approve and execute amendments to incorporate necessary changes within the scope of work; and to suspend work if, in the opinion of the Director of Public Works, it is in the best interest of the County to do so.

#### PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to provide as needed and intermittent services for the collection, transportation, and disposal of refuse collected from all public curbside refuse containers within the unincorporated County areas of East Los Angeles.

# <u>Implementation of Strategic Plan Goals</u>

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3). The contractor who has the specialized expertise to provide these services accurately, efficiently, timely, and in a responsive manner will support the Department of Public Works (Public Works) in meeting these goals.

### **FISCAL IMPACT/FINANCING**

There will be no impact to the County General Fund.

The contract is for an annual amount not to exceed \$169,000 plus 10 percent for unforeseen, additional work within the scope of the contract and an adjustment to the contract sum for cost-of-living and fuel adjustments in accordance with County policy and the terms of the contract. The not-to-exceed amount of \$169,000 is based on the annual price quoted by the contractor of \$148,700 plus \$20,300 for providing services at 15 additional receptacles, if requested.

The County of Los Angeles Board of Supervisors' (Board) direction to negotiate contract cost reductions in exchange for a contract extension does not apply to this contract because this was an active solicitation underway prior to June 16, 2009. Public Works successfully negotiated with the contractor, which was already the low bid, to reduce their rate for additional receptacles by 10 percent from \$125.17 to \$112.65 without adding extension years.

Funding for this service is included in the Fiscal Year 2009-10 Road Fund Budget. Funding for the contract's optional years, 10 percent additional funding for contingencies, cost-of-living, and fuel cost adjustments in accordance with the contract will be requested through the annual budget process.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The contract will be in the form previously reviewed and approved by County Counsel (Enclosure A). Prior to the Director executing this contract, the contractor will sign and County Counsel will review it as to form. The recommended contract, with United Pacific Waste, was solicited on an open-competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractor is in compliance with the Chief Executive Officer's and your Board's requirements.

The contract contains terms and conditions supporting your Board's ordinances, policies, and programs, including but not limited to: County's Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and the standard Board directed clauses that provide for contract termination or renegotiation.

Data regarding the proposers' minority participation is on file with Public Works. The contractor was selected upon final analysis and consideration without regard to race, creed, gender, or color.

The recommended contractor is United Pacific Waste. This contract will commence on January 1, 2010, for a period of one year. With your Board's delegated authority, the Director of Public Works or her designee may renew the contract for two 1-year renewal options, not to exceed a total contract period of three years.

Proof of the required Comprehensive General and Automobile Liability insurance policies, naming the County as additional insured, and evidence of Workers' Compensation insurance will be obtained from the contractor before any work is assigned.

Pursuant to the applicable memorandum of understanding, the Request for Proposals (RFP) for this contracted service was submitted on June 18, 2008, to the appropriate union for review. The union has not asked to meet with Public Works regarding this solicitation.

Public Works has evaluated and determined that the Living Wage Program (Los Angeles County Code, Chapter 2.201) does not apply to this recommended contract, which is for services required on an as-needed and intermittent basis; hence, this contract is not a Proposition A contract (Los Angeles County Code, Chapter 2.121).

The contract includes a cost-of-living adjustment provision, which is in accordance with your Board's Policy approved January 29, 2002.

This contract contains a provision for fuel cost adjustments on an annual basis.

#### **ENVIRONMENTAL DOCUMENTATION**

These services are categorically exempt from the provisions of the California Environmental Quality Act (CEQA). These services are within a class of projects that has been determined not to have a significant effect on the environment in that they meet the criteria set forth in Section 15301 (c) of CEQA.

#### **CONTRACTING PROCESS**

On June 18, 2008, Public Works solicited proposals from 239 independent contractors and community business enterprises to accomplish this work. Also, a notice of the RFP was placed on the County's bid website (Enclosure B), and an advertisement was placed in the Los Angeles Times.

On July, 17, 2008, five proposals were received. The proposals were first reviewed to ensure they met the minimum requirements in the RFP. All proposals having met these requirements were then evaluated by an evaluation committee consisting of Public Works staff. The committee's evaluation was based on criteria described in the RFP, which included the price, references, experience, financial resources, work plan, and equipment. Based on this evaluation, it is recommended that this contract be awarded to the highest-rated, responsive, and responsible proposer, United Pacific Waste.

Public Works utilized the consensus scoring methodology to evaluate the proposals received in response to the RFP for these services. Public Works followed County procedures in effect at the time of the evaluation, which was prior to your Board passing Agenda Item 39-A on November 25, 2008. Making an exception for contract evaluations already underway, Agenda Item 39-A ended the destruction of scoring related documents and suspended consensus-only scoring until your Board directs otherwise.

On April, 20, 2009, a Contractor Selection Protest was submitted by a nonawarded proposer, halting the award of the contract. In addition, due to the State Budget crisis and the potential impact on the Road Fund, the award of this particular solicitation was placed on hold until such time as the budget issue was resolved. The protest process was suspended, with the protesting proposer's consent, until the budget crisis was resolved.

In June 2009 the Board passed a motion to amend the County's Protest Policy. Public Works, at that point, extended the opportunity to the protesting proposer to resubmit their protest after the resolution of the State Budget crisis, under the newly amended Protest Policy, that allows for the nonawarded proposers to have copies of the proposal and evaluation documents of the recommended proposer.

The State Budget was passed at the end of July 2009, and subsequently, Public Works made a decision to move forward with the award of this contract. After additional information on the evaluation was provided through the new Protest Policy, the protesting proposer opted to withdraw their protest in September 2009.

# **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The award of this contract will not result in the displacement of any County employees as this service is presently contracted with the private sector.

## **CONCLUSION**

Please return one adopted copy of this letter to the Department of Public Works, Administrative Services Division.

Respectfully submitted,

**GAIL FARBER** 

Director

GF:GZ:er

**Enclosures** 

c: Chief Executive Office (Lari Sheehan)

Hair Farher

County Counsel Executive Office

### AGREEMENT FOR

# AS-NEEDED PUBLIC CURBSIDE REFUSE CONTAINER COLLECTION

#### AND DISPOSAL SERVICES FOR EAST LOS ANGELES

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_\_, 2009, by and between the COUNTY OF LOS ANGELES, a subdivision of the State of California, a body corporate and politic (hereinafter referred to as COUNTY) and United Pacific Waste, a California Corporation (hereinafter referred to as CONTRACTOR).

# **WITNESSETH**

<u>FIRST</u>: The CONTRACTOR, for the consideration hereinafter set forth and the acceptance by the Board of Supervisors of said COUNTY of the CONTRACTOR'S Proposal filed with the COUNTY on July 17, 2008, hereby agrees to provide services as described in the attached specifications for As-Needed Public Curbside Refuse Container Collection and Disposal Services for East Los Angeles, including, but not limited to, Exhibit A, Scope of Work.

SECOND: This AGREEMENT, together with Exhibit A, Scope of Work; Exhibit B, Service Contract General Requirements; Exhibit C, Internal Revenue Service Notice 1015; Exhibit D, Safely Surrendered Baby Law Posters; Exhibit E, Public Curbside Refuse Container Collection and Disposal Services for East Los Angeles Maps, and Exhibit F, Sample Fuel Adjuster Calculations; the CONTRACTOR'S Proposal, all attached hereto; the Request for Proposals; and Addenda to the Request for Proposals, all of which are incorporated herein by reference, are agreed by the COUNTY and the CONTRACTOR to constitute the Contract.

THIRD: The COUNTY agrees, in consideration of satisfactory performance of the foregoing services in strict accordance with the Contract specifications to the satisfaction of the Director, to pay the CONTRACTOR pursuant to the Schedule of Prices set forth in the Proposal and attached hereto as Form PW-2, an amount not to exceed \$169,000 per year or such greater amount as the Board may approve (Maximum Contract Sum).

<u>FOURTH</u>: This Contract's initial term shall be for a period of one year commencing on January 1, 2010. At the sole discretion of the COUNTY, this Contract may be extended in increments of one year, not to exceed a total contract period of three years. The COUNTY, acting through the Director, may give a written notice of intent to extend this Contract at least 30 days prior to the end of each term.

<u>FIFTH</u>: The CONTRACTOR shall bill monthly, in arrears, for the work performed during the preceding month. Work performed shall be billed at the monthly prices quoted in Form PW-2. Schedule of Prices.

<u>SIXTH</u>: Public Works will make payment to the CONTRACTOR within 30 days of receipt and approval of a properly completed invoice. However, should the CONTRACTOR be certified by the COUNTY as a Local Small Business Enterprise, payment will be made in

accordance with Board of Supervisors Policy No. 3.035, Small Business Liaison and Prompt Payment Program. Each invoice shall be in triplicate (original and two copies) and shall itemize the work completed. The invoices shall be submitted to:

County of Los Angeles Department of Public Works Attention Fiscal Division, Accounts Payable P.O. Box 7508 Alhambra, CA 91802-7508

<u>SEVENTH</u>: In no event shall the aggregate total amount of compensation paid to the CONTRACTOR exceed the amount of compensation authorized by the Board. Such aggregate total amount is the Maximum Contract Sum.

<u>EIGHTH</u>: The CONTRACTOR understands and agrees that only the designated Public Works Contract Manager is authorized to request or order work under this Contract. The CONTRACTOR acknowledges that the designated Contract Manager is not authorized to request or order any work that would result in the CONTRACTOR earning an aggregate compensation in excess of this Contract's Maximum Contract Sum.

NINTH: The CONTRACTOR shall not perform or accept work requests from the Contract Manager or any other person that will cause the Maximum Contract Sum of this Contract to be exceeded. The CONTRACTOR shall monitor the balance of this Contract's Maximum Contract Sum. When the total of the CONTRACTOR'S paid invoices, invoices pending payment, invoices yet to be submitted, and ordered services reaches 75 percent of the Maximum Contract Sum, the CONTRACTOR shall immediately notify the Contract Manager in writing. The CONTRACTOR shall send written notification to the Contract Manager when this Contract is within six months from expiration of the term as provided for hereinabove.

TENTH: The Director may adjust the rate of compensation set forth in Form PW-2 (Schedule of Prices) annually based on the increase or decrease in the U.S. Department of Labor, Bureau of Labor Statistics', All Urban Consumers Price Index for the Los Angeles-Riverside-Orange County Area (CPI) for the 12-month period preceding the contract anniversary date, which shall be the effective date for any such cost-of-living adjustment. The percentage change in the rate of compensation shall equal 12 times the average monthly change in the CPI over the first nine months of the contract term preceding the effective date. However, any percentage increase shall not exceed the general salary movement granted to COUNTY employees as determined by the COUNTY'S Chief Executive Office as of July 1 for the prior 12-month period. Furthermore, should fiscal circumstances ultimately prevent the Board from approving any increase in COUNTY employee salaries, no cost-of-living adjustment will be granted.

<u>ELEVENTH</u>: The Director may adjust 3 percent of the monthly rate of compensation set forth in Form PW-2 (Schedule of Prices) based on the increase or decrease in the fuel price published in the Official Energy Statistics from the United States Department of Energy website at <a href="http://tonto.eia.doe.gov/dnav/pet/pet\_pri\_gnd\_dcus\_sca\_m.htm">http://tonto.eia.doe.gov/dnav/pet/pet\_pri\_gnd\_dcus\_sca\_m.htm</a> for

Diesel (On-Highway) and Gasoline - All Grades (Regular) for California, at http://tonto.eia.doe.gov/dnav/pet/pet pri prop dcu r50 m.htm for Liquid Propane Gas " Commercial/Institutional," West Coast (PADD 5) (LPG) http://www.eere.energy.gov/afdc/price report.html for Compressed Natural Gas (CNG) Clean Cities Alternative Fuel Price Report, Table 5, Compressed Natural Gas Average Prices by Region from Clean Cities Sources "West Coast," as appropriate to the vehicle used, beginning on the month of this Contract's start date and thereafter at each successive annual interval, which shall be the effective date for any such fuel adjustment. The percentage change in the fuel price shall be obtained using the fuel prices published on the month of the proposal submission date and the fuel price most recently published for the month of effective date of the adjustment. However, when the percentage increase or decrease in the fuel price is less than 3 percent per year, no fuel adjustment will be granted. In the event the fuel adjustment is granted, the fuel adjustment (increase or decrease) will be added to or subtracted from, as applicable, the hourly rate of compensation to establish the adjusted hourly rate of compensation. A sample calculation is included in Exhibit F. Public Works shall be permitted to audit the CONTRACTOR'S fuel usage, fuel costs, and fuel procurement methods for the vehicles used in providing the these services and the CONTRACTOR shall provide records pertaining to its fuel costs upon the COUNTY'S request. The CONTRACTOR shall immediately notify the COUNTY if the CONTRACTOR changes from purchasing fuel using Market Prices, to a long-term agreement for fuel purchases.

<u>TWELFTH</u>: In the event that terms and conditions, which may be listed in the CONTRACTOR'S Proposal, conflict with the COUNTY'S specifications, requirements, and terms and conditions as reflected in this AGREEMENT, including, but not limited to, Exhibits A through F, inclusive, the COUNTY'S provisions shall control and be binding.

<u>THIRTEENTH</u>: The CONTRACTOR agrees in strict accordance with the Contract specifications and conditions to meet the COUNTY'S requirements.

<u>FOURTEENTH</u>: This Contract constitutes the entire agreement between the COUNTY and the CONTRACTOR with respect to the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings.

IN WITNESS WHEREOF, the COUNTY has, by order of its Board of Supervisors, caused these presents to be subscribed by the Director of Public Works, and the CONTRACTOR has subscribed its name by and through its duly authorized officers, as of the day, month, and year first written above.

|   | COUNTY OF LOS ANGELES          |
|---|--------------------------------|
|   | By<br>Director of Public Works |
| APPROVED AS TO FORM:                        |                                |
| ROBERT E. KALUNIAN<br>Acting County Counsel |                                |
| Deputy                                      | UNITED PACIFIC WASTE           |
|   | By<br>Its President            |
|   | Its President                  |
|   | Type or Print Name             |
|   | By<br>Its Secretary            |
|   |                                |
|   | Type or Print Name             |

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#### **ENCLOSURE B**

#### **Bid Detail Information**

Bid Number: PW-ASD 727

Bid Title: As-Needed Public Curbside Refuse Container Collection and Disposal Services for East Los Angeles

Bid Type: Service Department: Public Works

Commodity: GARBAGE/TRASH REMOVAL AND DISPOSAL SERVICE

Open Date: 6/18/2008

Closing Date: 6/30/2008 10:30 AM

Bid Amount: \$ 500,000 Bid Download: Not Available

Bid Description: PLEASE TAKE NOTICE that Public Works requests proposals for the contract for As Needed Public Curbside Refuse Container Collection and Disposal Services for East Los Angeles (2008-AN031). The total annual contract amount of this service is estimated to be \$500,000. If not enclosed with this letter. the Request for Proposals (RFP) with contract specifications, forms, and instructions for preparing and

submitting proposals may be requested by accessing this link at

ftp://dpwftp.co.la.ca.us/solicitationdocuments/PublicCurbsideELA.pdf or from Ms. Barbara Baiz at (626)

458 4059, Monday through Thursday. 8 a.m. to 5 p.m.

Minimum Requirement(s): Proposers must meet all minimum requirements set forth in the RFP document, including, but not limited to, a minimum of five years' experience in providing public curbside collection services, and Proposer must possess the required Waste Collector's Permit issued by the County Department of Public Health.

A Proposers' Conference will be held on Monday, June 30, 2008, at 10:30 a.m. at Public Works Headquarters, 900 South Fremont Avenue, Alhambra, California 91803, in Conference Room D. ATTENDANCE BY THE PROPOSER OR AN AUTHORIZED REPRESENTATIVE AT THE CONFERENCE IS MANDATORY. Public Works will reject proposals from those whose attendance at the conference cannot be verified. Attendees should be prepared to ask questions at that time about the specifications, proposal requirements, and contract terms. After the conference, it may be impossible to respond to further requests for information.

The deadline to submit proposals is Monday, July 14, 2008, at 5:30 p.m. Please direct your questions to

Ms. Baiz at the number above.

Contact Name: Barbara Baiz Contact Phone#: (626) 458-4059

Contact Email: bbaiz@dpw.lacounty.gov Last Changed On: 6/19/2008 8:08:54 AM

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